



U.S. FISH AND WILDLIFE SERVICE TRANSMITTAL SHEET

PART 417 FW 1-6	SUBJECT Audits: Policies and Responsibilities; Planning; Conducting and Reporting on Audits; Audit Resolution; Appeals; Single Audit Act Report Resolution	RELEASE NUMBER 454
ORIGINATING OFFICE Division of Federal Assistance		DATE 08/23/2004

EXPLANATION OF MATERIAL TRANSMITTED:

This release establishes Part 417 (Federal Assistance Audits) of the Fish and Wildlife Service Manual. It establishes policy and responsibilities for grantee audits, defines terms associated with audits, and provides an overview of the audit process. The policy describes audit planning and provides procedures for conducting audits and reporting on them. It establishes policy and procedures for tracking audits, resolving findings, implementing recommendations, and making appeals about findings or corrective actions. The policy also describes how to resolve findings and implement recommendations from audits under the Single Audit Act.


DIRECTOR

FILING INSTRUCTIONS:

Remove:

None

Insert:

417 FW 1, 08/23/04, FWM 454
417 FW 2, 08/23/04, FWM 454
417 FW 3, 08/23/04, FWM 454
417 FW 4, 08/23/04, FWM 454
417 FW 5, 08/23/04, FWM 454
417 FW 6, 08/23/04, FWM 454

**FISH AND WILDLIFE SERVICE
AUDITS**

Audits

Part 417 Federal Assistance Audits

Chapter 6 Single Audit Act Report Resolution

417 FW 6

6.1 What is the purpose of this chapter? This chapter establishes Service policy for resolving findings and implementing recommendations from audits of Federal Assistance Program grantees under the Single Audit Act. See 417 FW 1 for authorities, responsibilities, and definitions.

6.2 To what program does this chapter apply? This chapter applies to Single Audit Act audits of grantees that receive funds through the Federal Assistance Program.

6.3 Is the Service responsible for resolving all audit findings? No. We are only responsible for resolving findings, recommendations, and questioned costs that directly relate to funds that we provide to the grantee.

6.4 Does the Office of Inspector General (OIG) notify the Service when audits are completed? Yes. The OIG provides the Single Audit Report to the Regional Director/Manager, California/Nevada Operations Office (CNO) with a copy to the Service Audit Liaison Office. If there are issues that we must address, the OIG's memorandum will identify the specific findings and questioned costs that we must resolve.

6.5 What happens when the Service receives a Single Audit Report?

A. When there are findings that relate to our grant programs, the Regional Director/CNO Manager notifies the grantee that we have received the Single Audit Report.

B. The Service Audit Liaison Officer notifies the Chief, Division of Federal Assistance, Washington Office (Chief-FA/WO), and other Service offices, as needed, that we have received a Single Audit report that contains findings we must resolve.

6.6 How much time does the Service have to respond to the Single Audit Report? The OIG establishes a deadline of 90 days from the date of the transmittal memorandum for response to the Single Audit Report. The Regional Director/CNO Manager, with concurrence from the Assistant Director, Wildlife and Sport Fish Restoration Programs (AD-WSFR), may request that the OIG provide additional time for response. The request should include a justification for the extension.

6.7 How are findings resolved? The Regional Director/CNO Manager is responsible for overseeing and monitoring the Service response to Single Audit Reports in accordance with procedures in 417 FW 4. The Regional Director/CNO Manager coordinates with the grantee to ensure that the specified action will resolve

the finding. If the Regional Director/CNO Manager determines that the corrective action will not resolve the finding, he/she negotiates revised corrective actions with the grantee. After the grantee documents corrective actions to resolve audit findings, the Regional Director/CNO Manager notifies the OIG and the Chief-FA/WO in writing, and the Chief-FA/WO notifies the Service Audit Liaison Officer. The audit is closed when the Department office that is tracking the resolution concurs with our response.

6.8 Who maintains Single Audit Report resolution files? The Regional Director/CNO Manager will maintain all files related to resolution of Single Audit Act audit findings. These files include, but are not limited to:

A. Copies of all relevant correspondence.

B. Single Audit Report and OIG transmittal memorandum.

C. Service response to OIG's transmittal memorandum.

D. Corrective actions and revised corrective actions, as described in paragraph 6.7, when appropriate.

E. Documentation that the grantee has resolved the audit findings and questioned costs in accordance with approved corrective actions.

6.9 Can the grantee appeal a Single Audit corrective action? Yes. Grantees may appeal our decision on a Single Audit corrective action in writing, using the procedures outlined in 43 CFR 4.700 to 4.704, within 30 calendar days of the date the decision was mailed. Submit the appeal to the Director, Office of Hearings and Appeals, Department of the Interior. The Director, Office of Hearings and Appeals; an ad hoc appeals board appointed by that Director; or an administrative law judge of that office will review the record, hold a hearing on all or part of the record, or listen to oral arguments and then make disposition of the appeal.